

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

April 21, 2004

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The meeting was called to order by Chairman Keese at 10:03 a.m.

The Pledge of Allegiance was led by Chairman Keese.

William J. Keese	Present
Arthur Rosenfeld	Absent
James D. Boyd	Present
John L. Geesman	Present
Vacant	

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed and moved to later on the agenda).
 - a. NEW POWER TECHNOLOGIES. Possible approval of Contract 500-01-039, Amendment 1, for a six-month no-cost time extension, in association with the Silicon Valley Manufacturing Group, to demonstrate a methodology to assess the benefits of distributed energy resources to the transmission and distribution work.. (PIER funded)

Commissioner Geesman moved and Commissioner Boyd seconded approval of the Consent Calendar. The vote was unanimous. (3-0)

2. SAN FRANCISCO ELECTRIC RELIABILITY PROJECT (SFERP). Commission consideration of the Executive Director's Data Adequacy Recommendation for the San Francisco Electric Reliability Project Application for Certification. This is a 12-month, 145-megawatt simple-cycle plant located in the city and county of San Francisco (Docket No. 04-AFC-01)

Commissioner Boyd moved and Commissioner Geesman seconded approval of the Executive Director's Data Adequacy recommendation. The vote was unanimous. (3-0)

3. SAN FRANCISCO ELECTRIC RELIABILITY PROJECT. Possible approval of a Committee for the San Francisco Electric Reliability Project Application for Certification (Docket No. 04-AFC-01)

Commissioner Geesman moved and Commissioner Boyd seconded approval of a Committee with Commissioner Boyd presiding member and Commissioner Geesman associate member. The vote was unanimous. (3-0)

4. SANTA ANITA CHURCH. Possible approval of a loan to Santa Anita Church dba Barnhart School for \$28,385 to install energy efficiency lighting. This project is estimated to save about \$10,015 annually and has a simple payback of 2.83 years. (Energy Conservation Assistance Act Account funded)

Commissioner Geesman moved and Commissioner Boyd seconded approval of a loan to the Santa Anita Church. The vote was unanimous. (3-0)

5. RENEWABLES PORTFOLIO STANDARD PROGRAM. Possible adoption of guidebooks and guidebook revisions governing the Renewables Portfolio Standard Program.
 - a. *Renewables Portfolio Standard Eligibility Guidebook (500-04-002FD)*, addressing RPS eligibility and certification
 - b. *New Renewable Facilities Program Guidebook (500-04-001FD)*, addressing supplemental energy payments
 - c. *Overall Program Guidebook for the Renewable Energy Program (500-03-004F)*, addressing administration of the RPS Program and the New Renewable Facilities Program

Commissioner Geesman moved and Commissioner Boyd seconded approval of the adoption of guidebooks and guidebook revisions governing the Renewables Portfolio Standard Program. The vote was unanimous. (3-0)

6. GLADSTEIN, NEANDROSS & ASSOCIATES LLC. Possible approval of Contract 600-03-024 for \$89,999 to manage the Interstate Clean Transportation Corridor Project to assist in the deployment of alternative fuel heavy-duty vehicles and fueling infrastructure. (EPA Grant NP-97984201-0 funded)

Commissioner Boyd moved and Commissioner Geesman seconded approval of Contract 600-03-024. The vote was unanimous. (3-0)

7. DEPARTMENT OF ENERGY – LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of Contract 500-03-041 for \$744,000 to develop, evaluate and demonstrate a very practical HVAC system for classrooms that consistently provides classrooms with the quality of ventilation in current minimum standards, while saving energy and reducing HVAC-related noise levels. (PIER funded)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 500-03-041. The vote was unanimous. (3-0)

8. U. S. DEPARTMENT OF ENERGY, PACIFIC NORTHWEST NATIONAL LABORATORY (PNNL). Possible approval of Work Authorization MR-031, under PIER Research Agreement 500-02-004, with PNNL through its Global Technology Strategy Program for scenario development and technical analysis relating to renewable energy, energy efficiency, and carbon sequestration technologies. The purpose of this work is to enhance the understanding of the future evolution of these technologies, the role of public policy in stimulating their development and diffusion, and the implications for costs and benefits of potential strategies to cost-effectively reduce greenhouse gas emissions. The total cost is not to exceed \$750,000.

Commissioner Boyd moved and Commissioner Geesman seconded approval of Work Authorization MR-031 under PIER Research Agreement 500-02-004. The vote was unanimous. (3-0)

9. ICF ASSOCIATES LLC. Possible approval of Contract 500-01-006 Amendment 1, to extend the contract for approximately one year providing a continuation of the technical programs under this contract that are ongoing and necessary, to fund the extension in the amount of \$1,200,000 and to substitute the obligation for this contract from ICF Associates, Inc. to ICF Associates, LLC. (PIER funded)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 500-01-006 Amendment 1. The vote was unanimous. (3-0)

10. SCIENCE APPLICATION INTERNATIONAL CORP (SAIC). Possible approval of Contract 500-01-007 Amendment 1, to extend the contract for approximately one year providing a continuation of the technical programs that are ongoing and necessary and to fund the extension in the amount of \$1,200,000. (PIER funded)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 500-01-007 Amendment 1. The vote was unanimous. (3-0)

11. NAVIGANT CONSULTING. Possible approval of Contract 500-01-008 Amendment 2, to extend the contract for approximately one year providing a continuation of the technical programs under this contract that are ongoing and necessary and to fund that extension in the amount of \$1,200,000. (PIER funded)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 500-01-008 Amendment 2. The vote was unanimous. (3-0)

12. COMBINED HEAT AND POWER (CHP) BID. Possible approval of the four passing proposals from the Combined Heat and Power (CHP) competitively bid Request for Proposals (RFP #500-03-503) issued by the PIER environmentally Preferred Advanced Generation team. The four passing proposals are below.
- a. TECOGEN, INC. Possible approval of Contract 500-03-039 for \$941,199 to apply inverter-based technology to Tecogen's combined heat and power (CHP) engine package, which will provide a CHP product to California at a reduced capitol cost and higher part-load efficiency. (PIER funded)
 - b. D. E. SOLUTIONS. Possible approval of Contract 500-03-038 for \$1,173,536 to reduce the installed cost of combined heat and power (CHP) integrated HVAC systems for commercial and light industrial applications by developing standardized factory assembled heating/cooling modules and an optimized absorption chiller and engine heat management system. (PIER funded)
 - c. CMC-ENGINEERING. Possible approval of Contract 500-03-037 for \$1,505,827 to develop, demonstrate and commercialize a new industrial burner/windbox assembly that incorporates a low-cost microturbine generator for clean and efficient combined heat and power capability. (PIER funded)
 - d. ALZETA CORPORATION. Possible approval of Contract 500-03-040 for \$1,521,321 to develop a low NOx supplemental firing burner to reduce the emissions and improve the cost effectiveness of combined heat and power systems. (PIER funded)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Contracts 500-03-039, 500-03-038, 500-03-037 and 500-03-040. The vote was unanimous. (3-0)

13. DISTRIBUTED GENERATION OII. Possible opening of an Order Instituting Investigation (OII) for exploring issues associated with implementation and distribution planning of distributed generation (DG). This OII will support both the CPUC Order Instituting Rulemaking for DG (CPUC Docket R.04-03-017) and the 2004 Integrated Energy Policy Report Update (CEC Docket 03-IEP-01).

Commissioner Geesman moved and Commissioner Boyd seconded approval of the OII on DG issues. The vote was unanimous. (3-0)

14. Minutes

Commissioner Boyd moved and Commissioner Geesman seconded approval of minutes from the April 7, 2004 business meeting (the meeting was continued to April 9, 2004. The vote was unanimous. (3-0)

15. Commission Committee and Oversight

No reports were given.

16. Legislative Director's Report

No report was given.

17. Chief Counsel's Report

No report was given.

18. Executive Director's Report

Executive Director Bob Therkelsen reported that the Budget Process starts this coming week.

19. Public Adviser's Report

No report was given.

20. Public Comment

No comments were received.

The meeting was adjourned at 11:35 a.m.

BETTY A. McCANN
Secretary to the Commission